



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

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Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

February 3, 1983

Mr. C. E. Baker
Manager of Regulatory Compliance
Energy Fuels Nuclear
Suite 900, 3 Park Central
1515 Arapahoe
Denver, Colorado 80202

RE: Continued Suspension of
the Sahara Mine
ACT/015/026
Emery County, Utah

Concerns with the
Hillside Complex and
Glade Pit
ACT/037/015
San Juan County, Utah

Dear Mr. Baker:

Thank you for having Dean King meet Wayne Hedberg and myself at Green River on January 18, 1983. I believe it was most unfortunate that the gentleman from Kanab was unable to fly out that morning. It was also a shame to have missed him during the sunny afternoon at Fry Canyon. It did not seem to matter so much as the Nielsen's from Minerals West did not arrive either. We were fortunate in meeting Jim Andrus in Blanding the following day. He was reconnoitering the area for proposed reclamation projects. I was plesed to be able to discuss several issues besides the weather and I hope to receive additional 1979-82 reports from him soon. A final note to these items; the Division would like to have the matter of the Hillside Complex resolved as soon as possible. If arrangements between Minerals West and EFN cannot be settled soon I think that this might be a matter in which the Board of Oil, Gas and Mining could help. Could you send the Division a statement of your current position regarding the matter?

Seeing as how the Glade Pit has become a part of the Hillside mine file could you also summarize the reclamation activity of 1982 and relate it to the letter of September 24, 1981 (from Brad Doores EFN) regarding bonding. The Division has not received a notice of completion for these activities.

Mr. King was most cooperative and congenial as he toured the Sahara minesite with us. The site has been well managed during its period of

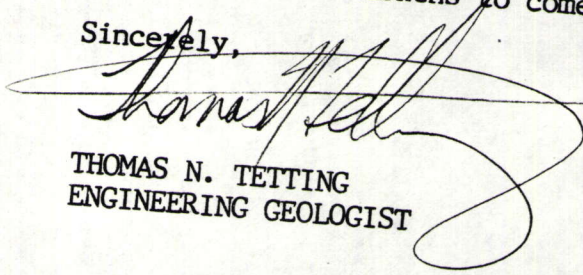
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suspended activity. The additional two year suspension period will be given provided the following interim reclamation measures have been taken and the Division notified of their completion:

1. A distinct channel should be constructed and maintained between the water pump discharge pipe and the evaporation ponds. This should preclude the mixing of natural drainage with the mine water.
2. Erosional incisions into the evaporation pond's walls should be repaired.
3. Discharge valves of the ponds taken from the mine or pump site should be checked to see that they are operable.
4. A recent water sample analysis should be forwarded to the Division for the file.

The Division hopes to receive this information or confirmation of the required work no later than the end of the second quarter of 1983. At that time the additional two year suspension period should go into effect. You have been very helpful in the past sorting these matters out and I trust that we may work through these concerns without difficulty in the months to come.

Sincerely,



THOMAS N. TETTING
ENGINEERING GEOLOGIST

TNT/lm

Enclosures

cc: Jim Smith, DOGM